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WALKER DIGITAL FIVE HIGH RIDGE PARK STAMFORD, CT 06905			MYHRE, JAMES W	
			ART UNIT	PAPER NUMBER
			3622	
DATE MAILED: 01/28/2004				

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.
09/526,907

Applicant(s)
Walker et al

Examiner
James W. Myhre

Art Unit
3622



-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136 (a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on Oct 27, 2003.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11; 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-89 is/are pending in the application.
- 4a) Of the above, claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-89 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claims _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on _____ is: a) ☐ approved b) ☐ disapproved by the Examiner.
If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. §§ 119 and 120

- 13) ☐ Acknowledgement is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
a) ☐ All b) ☐ Some* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
*See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgement is made of a claim for domestic priority under 35 U.S.C. § 119(e).
a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☒ Acknowledgement is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892) 4) ☐ Interview Summary (PTO-413) Paper No(s). _____
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948) 5) ☐ Notice of Informal Patent Application (PTO-152)
- 3) ☒ Information Disclosure Statement(s) (PTO-1449) Paper No(s). 13-16 6) ☐ Other:

Art Unit: 3622

DETAILED ACTION

Response to Amendment

1. The amendment filed on October 27, 2003 has been considered but is ineffective to overcome the Myhre (Examiner's Affidavit), Austin et al (6,259,908), and Logan et al (5,721,827) references.

Information Disclosure Statement

2. The four Electronic Information Disclosure Statements (IDS) filed on October 10, 2002 (entered as paper numbers 13-16) have been entered in the application and considered by the Examiner. The Applicant is reminded that in accordance with MPEP 2004, paragraph 13, "It is desirable to avoid the submission of long lists of documents if it can be avoided. Eliminate clearly irrelevant and marginally pertinent cumulative information. If a long list is submitted, highlight those documents which have been specifically brought to applicant's attention and/or are known to be of significance. See *Penn Yan Boats, Inc. V. Sea Lark Boats, Inc.*, 359 F. Suppl. 948, 175 USPQ 260 (S.D. Fla. 1972), *aff'd* 479 F.2d 1338, 178 USPQ 577 (5th Cir. 1973), *cert. Denied*, 414 U.S. 874 (1974). Nut cf. *Molins PLC v. Textron, Inc.*, 48 F.3d 1172, 33 USPQ2d 1823 (Fed. Cir. 1995)." In the present four IDS listings, the Examiner has noted many references which have little if any pertinence to the present invention. For example, while the present invention is directed towards presenting a subsidy offer during a transaction at a point of sale system, in paper

Art Unit: 3622

number 13 references P32 and P33 (and others) pertain to method of conducting auctions online with no disclosure of any kind of incentive offers, and reference P28 (and others) pertains to the operation of a commodities exchange. In paper number 14, reference P24 (and others) also pertains to the operation of a commodities exchange, and references P11, P12, P14, and P36 (and others) pertain to the operation of lottery systems and devices. Finally, in paper number 15, reference P02 pertains to electronic price labels within a store, and references P10, P11, and P46 (and others) pertain to food distribution and storage system for restaurants. None of these references have any bearing on the currently claimed invention and, thus, should not be cited by the Applicant. It is recommended that the Applicant submit their reasoning on why these references should be considered pertinent art.

Claim Objections

3. The amendment filed on October 27, 2003 has corrected the typographical error in Claims 50 as noted in paragraph 3 of the previous office action (paper number 10). Therefore, this objection is hereby withdrawn by the Examiner.

Claim Rejections - 35 USC § 101

4. The amendment filed on October 27, 2003 did not correct the deficiency noted in paragraph 6 of the previous office action (paper number 10) pertaining to the rejection of Claim 86. The rejection has been maintained as noted below.

Art Unit: 3622

5. Claim 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

6. Claim 86 is rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

The Examiner notes that Claim 86 was amended by the previous amendment to recite “a data structure comprising objects” in a manner similar to the amendment of Claim 85. However, in Claim 85, the objects were “operable to output the subsidy offer” and “operable to output the redemption code”. Claim 86 does not include language indicating that the objects are anything more than data per se and are merely “representative of a subsidy offer” or “representative of a subsidy task”, etc. While the preamble of the claim states “the objects being executable on a data processing system”, no action is disclosed as being performed by the objects in the body of the claims. Therefore, this matter does not create any functional interrelationships either as part of the stored data or as part of the computing process performed by the computer and does not impart functionality either to the data or the computer. Such descriptive material is not a process, machine, manufacture, or composition of matter (*Warnerdam*, 33 F.3d at 1361 31 USPQ2d at 1760).

Art Unit: 3622

Claim Rejections - 35 USC § 102

7. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless -

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

8. Claims 70, 72-74, 79, 82, 84, 85, 87, and 88 are rejected under 35 U.S.C. 102(b) as being anticipated by Myhre (Examiner's Affidavit).

Claims 70, 72-74, 79, 82, 84, 85, 87, and 88: Myhre discloses a method for facilitating a transaction, comprising:

- a. Determining a subsidy offer from a plurality of subsidy offers according to subsidy rules to be provided to a customer from a subsidy provider;
- b. Transmitting the subsidy offer to the customer device;
- c. Presenting a description of the subsidy offer to the customer when the customer completes a task, such as indicating an interest in purchasing the item or subscribing for a telephone service;
- d. Outputting a redemption code upon completion of the task; and
- e. Providing the benefit to the customer upon acceptance of the offer.

The Examiner notes that Radio Shack would "present a list of service plans offered by Sprint with their costs and the amount of discount each would bring on the current purchase of

Art Unit: 3622

the cell phone” once the customer indicated his desire to purchase the cell phone (steps a, b, and c above). If the customer accepted the subsidy offer and completed the Sprint service application form, the discount on the cell phone purchase would be given upon receipt of an approval code (redemption code) from Sprint (steps d and e above). Each of the service plans had various rules which delineated the qualifications needed to be met by the customer and/or cell phone before it was a viable offerable option, e.g. subsidy based on length or terms of service contract, cost of phone, age or other demographics of the customer, etc.

Claim Rejections - 35 USC § 103

9. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

10. Claims 1-5, 9-69, 71, 75-78, 80, 81, 83, 86, and 89 are rejected under 35 U.S.C. 103(a) as being unpatentable over Myhre (Examiner’s Affidavit) in view of Walden (WO 97/35441).

Claims 1, 20-22, 25-27, 33, 34, 41, 44-46, 48, 52, 54-57, 59-63, 65, 66, 68, 69, and 89:

Myhre discloses a method for facilitating a transaction, comprising:

a. Determining a subsidy offer from a plurality of subsidy offers according to subsidy rules to be provided to a customer from a subsidy provider;

Art Unit: 3622

- b. Transmitting the subsidy offer to the customer device;
- c. Presenting a description of the subsidy offer to the customer when the customer completes a task, such as indicating an interest in purchasing the item or subscribing for a telephone service;
- d. Outputting a redemption code upon completion of the task; and
- e. Providing the benefit to the customer upon acceptance of the offer.

The Examiner notes that Radio Shack would “present a list of service plans offered by Sprint with their costs and the amount of discount each would bring on the current purchase of the cell phone” once the customer indicated his desire to purchase the cell phone (steps a, b, and c above). If the customer accepted the subsidy offer and completed the Sprint service application form, the discount on the cell phone purchase would be given upon receipt of an approval code (redemption code) from Sprint (steps d and e above). Each of the service plans had various rules which delineated the qualifications needed to be met by the customer and/or cell phone before it was a viable offerable option, e.g. subsidy based on length or terms of service contract, cost of phone, age or other demographics of the customer, etc.

While Myhre discloses that the subsidy offer is given to the customer when the customer indicates interest in purchasing the item in accordance with a customer rule (e.g. cellular telephone service plan offer not given to a customer who is buying a flashlight), it is not explicitly disclosed that the subsidy offer is stored on the customer device (e.g. POS terminal). However, Walden discloses a similar method for facilitating a transaction in which the offers are stored on

Art Unit: 3622

the customer device (page 7, lines 11-19) which will present the offer to the customer “upon the occurrence of an event” (i.e. customer rule) such as selecting consumer goods to purchase (page 9, line 29 - page 10, line 10). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to upgrade the circa 1990 manual system of Radio Shack to use a computer system to store, select, and present the offers to the customer. One would have been motivated to utilize a computer system in this manner in order to increase the speed, efficiency, and accuracy of the transaction and offer system.

Claim 2: Myhre and Walden disclose a method for facilitating a transaction as in Claim 1 above, and Myhre further discloses determining the subsidy offer based on information associated with the customer (i.e. customer is purchasing a cell phone).

Claim 3: Myhre and Walden disclose a method for facilitating a transaction as in Claim 2 above, and Myhre further discloses that the information associated with the customer is demographic, psychographic, or credit information.

Claim 4: Myhre and Walden disclose a method for facilitating a transaction as in Claim 2 above, and Myhre further discloses that the information comprises an association of the customer with the subsidy provider (i.e. the customer becomes a customer of the subsidy offer by subscribing to the phone service).

Claim 5: Myhre and Walden disclose a method for facilitating a transaction as in Claim 2 above, and Myhre further discloses that the information comprises an association of the customer with a third party (i.e. the customer purchases an item from the merchant).

Art Unit: 3622

Claim 9: Myhre and Walden disclose a method for facilitating a transaction as in Claim 2 above, and Myhre further discloses that the information is received from the customer (acceptance of the subsidy offer, i.e. completion of the subscription application).

Claim 10: Myhre and Walden disclose a method for facilitating a transaction as in Claim 9 above, and Walden further discloses that the information comprises survey information received from the customer (page 5, lines 20-26). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made for the merchant in Myhre to include one or more survey question on the application form and to use the survey information to target the subsidy offer. One would have been motivated to use survey information in order to better target the subsidy offer, thereby increasing the likelihood of its acceptance by the customer.

Claim 11: Myhre and Walden disclose a method for facilitating a transaction as in Claim 1 above, and Myhre further discloses determining whether to present the subsidy offer to the customer (i.e. if the customer does not buy a cellular phone, the offer is not presented).

Claim 12: Myhre and Walden disclose a method for facilitating a transaction as in Claim 1 above, and Myhre further discloses determining the amount of the benefit (dependent on the cost of the cellular phone being purchase by the customer and/or length of service contract).

Claim 13: Myhre and Walden disclose a method for facilitating a transaction as in Claim 1 above, and Myhre further discloses that the determination is performed by the customer device, the merchant device, the subsidy provider device, or a central controller.

Art Unit: 3622

Claims 14 and 76: Myhre and Walden disclose a method for facilitating a transaction as in Claims 1 and 75, and Myhre further discloses that the benefit is a subsidy amount applied against the original price associated with the item.

Claim 15: Myhre and Walden disclose a method for facilitating a transaction as in Claim 1 above, but do not explicitly disclose that the benefit comprises another item to be provided to the customer in place of the original item, i.e. a substitute item. Official Notice is taken that it is old and well known within the retail arts to provide substitute items as rewards/benefits to the customer. For example, it is common in the airline industry to provide upgraded seats to customers who qualify, normally through the completion of some criteria such as reaching a predetermined number of flights, frequent flyer miles, or membership in an organization (i.e. veterans, government employees, etc.). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to provide a substitute item, such as an upgraded cellular phone, to the customer in Myhre. One would have been motivated to provide a substitute item in order to increase the customer's satisfaction with the offer, thereby increasing the likelihood of its acceptance by the customer.

Claim 16: Myhre and Walden disclose a method for facilitating a transaction as in Claim 1 above, but do not explicitly disclose that the benefit comprises another item to be provided to the customer in addition to the original item, i.e. an additional item. Official Notice is taken that it is old and well known within the retail arts to provide additional items and rewards/benefits as promotions to the customer. For example, it is common to offer such additional promotional

Art Unit: 3622

items as carrying cases, rechargers, headsets, etc. when a customer buys and activates a cellular phone. In another example, many perfume companies offer a free bag, make-up kit, and so on when the customer purchases a certain product of the company's brand. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to provide such additional items to the customer in Myhre. One would have been motivated to provide an additional item in order to increase the customer's satisfaction with the offer, thereby increasing the likelihood of its acceptance by the customer.

Claim 17: Myhre and Walden disclose a method for facilitating a transaction as in Claim 1, and Myhre further discloses the benefit comprises an improved transaction term, i.e. a decrease in the price of the transaction.

Claim 18: Myhre and Walden disclose a method for facilitating a transaction as in Claim 17 above, but do not explicitly disclose the transaction term comprising a warranty term or an interest rate term. Official Notice is taken that it is old and well known within the retail arts to offer various warranties and interest rates as benefits in an attempt to entice the customer to purchase the item. In fact, Radio Shack offered several warranty plans for cellular telephones, regular telephones, computers, televisions, stereos, and other products available for purchase. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to provide a warranty term or interest rate term as a benefit to the customer in Myhre. One would have been motivated to provide such a benefit in order to increase the

Art Unit: 3622

customer's satisfaction with the offer, thereby increasing the likelihood of its acceptance by the customer.

Claim 19: Myhre and Walden disclose a method for facilitating a transaction as in Claim 1 above, and Myhre further discloses that the item is purchased from one merchant (Radio Shack™) and the subsidy offer is provided by a second merchant (Sprint™).

Claim 23: Myhre and Walden disclose a method for facilitating a transaction as in Claim 20 above, and Walden further discloses that the task comprises purchasing another item, accessing a web page, visiting a merchant, dialing a telephone number, or answering a question (page 5, lines 20-26). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made that the task completed by the customer in Myhre is to answer a question (the questions on the application form could be considered as equivalent). One would have been motivated to require the customer to answer a question (or complete one of the other above tasks) in order to collect more customer demographic information, thereby enabling better targeting of the offer by the subsidy provider.

Claims 24, 58, 75, 77, 80, and 81: Myhre or Myhre and Walden disclose a method for facilitating a transaction as in Claims 1 and 74 above, and Walden further discloses that the customer device may comprise a portable computer, personal digital assistant, smart card, or customer storage device (page 7, lines 11-19). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to incorporate any of these well-known input and storage devices into the Myhre system. One would have been motivate to

Art Unit: 3622

include one or more of these devices in order to update the circa 1990 POS terminal, facsimile, and telephone method to more current technology.

Claims 28-30: Myhre and Walden disclose a method for facilitating a transaction as in Claim 1 above, and Myhre further discloses that the interest indication received from the customer is a request for an item price, a purchase request, or a request to access information about the item.

Claim 31: Myhre and Walden disclose a method for facilitating a transaction as in Claim 1 above, and Myhre further discloses the indication comprises an indication from an input device associated with the customer (i.e. POS device at the customer's location).

Claim 32: Myhre and Walden disclose a method for facilitating a transaction as in Claim 1 above, and Myhre further discloses the transmitting is performed at a point of sale terminal.

Claim 35: Myhre and Walden disclose a method for facilitating a transaction as in Claim 1 above, and Myhre further discloses transmitting and storing the subsidy offer on the remote computer (POS system) prior to receiving the customer's indication of interest in purchasing the item.

Claims 36 and 37: Myhre and Walden disclose a method for facilitating a transaction as in Claim 1 above, but do not explicitly disclose deleting the subsidy offer prior to outputting it to the customer, nor that the subsidy offer has an expiration date. Official Notice is taken that it is old and well known within the retail arts for subsidy offers to have expiration dates and to delete expired offers prior to outputting to a customer (See the Buy.com reference listed below). One

Art Unit: 3622

would have been motivated to include expiration dates on subsidy offers and to delete expired offers in order to allow the subsidy provider to better control its marketing program by preventing a multitude of outstanding offers being carried over from year to year, whose redemption may cause the subsidy provider's marketing budget to be exceeded. The subsidy provider could prevent such overruns by placing enough funds in a reserve account; however, this would cause a decrease in available funds with a small likelihood that the outstanding offers would ever be redeemed.

Claims 38-40, 43, and 64: Myhre and Walden disclose a method for facilitating a transaction as in Claims 1 and 57 above, and Myhre further discloses receiving subsidy offer status information, such as an acceptance or refusal, from the customer device.

Claims 42 and 49: Myhre and Walden disclose a method for facilitating a transaction as in Claims 41 and 48 above, and Myhre further discloses penalizing the customer for non-performance of the task, i.e. charges the customer full price for the item instead of the discounted price when the offer is not accepted.

Claim 47: Myhre and Walden disclose a method for facilitating a transaction as in Claim 1 above, and Myhre further disclose storing the redemption code (activation code) on the customer device.

Claims 50, 51, 56, and 78: Myhre or Myhre and Walden disclose a method for facilitating a transaction as in Claims 1, 54, and 74 above, and Walden further discloses using a central computer for performing the determining and transmitting steps of the method (page 6, line 20 -

Art Unit: 3622

page 7, line 19 and page 11, lines 2-6). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to incorporate a central computer into the Myhre POS system and to use the central computer to perform the method steps. One would have been motivated to use a central computer in order to eliminate the need for each POS terminal to be directly connectable to the service provider, i.e. the store would only need one phone line (network connection) for the central computer instead of separate phone lines for each terminal.

Claims 53, 71, 83, and 86: Myhre or Myhre and Walden disclose an apparatus for facilitating a transaction as in Claims 52, 70, and 82 above, and Walden further discloses one or more databases for storing the information and rules used in the above method (page 7, line 28 - page 8, line 25). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to store the information and rules pertaining to the subsidy offers used in the Myhre system in one or more databases. One would have been motivated to store the information and rules in separate databases in view of the disparity in the type of data being stored.

Claim 67: Myhre and Walden disclose a method for facilitating a transaction as in Claim 65 above, and Walden further discloses the customer device generating the redemption code (coupon with "bar coding or other coding formats" (page 9, lines 7-9). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to have the customer device (POS terminal) in the Myhre system to generate the activation code. One would

Art Unit: 3622

have been motivated to generate the redemption code with the customer device in order to allow activation of the cell phone during network outages, i.e. if the customer device is disconnected after receiving the approval code from the subsidy provider, the cell phone could still be activated by the customer device.

11. Claims 6-8 are rejected under 35 U.S.C. 103(a) as being unpatentable over Myhre (Examiner's Affidavit) in view of Walden (WO 97/35441) and in further view of Logan et al (5,721,827).

Claims 6 and 8: Myhre and Walden disclose a method for facilitating a transaction as in Claim 2 above, but do not explicitly disclose that the information is associated with another item purchased in at least one previous transaction. However, Logan discloses a similar method for facilitating a transaction which also includes targeting the subsidy offer based on demographic information, such as purchase history, of the customer (col 16, lines 58-67 and col 25, lines 4-14). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to use demographic, psychological, and historical information associated with the customer when determining the subsidy offer to present to the customer in Myhre. One would have been motivated to use historical information in order to better target the subsidy offer to the individual customer, thereby increasing the likelihood of its acceptance by the customer.

Claim 7: Myhre and Walden disclose a method for facilitating a transaction as in Claim 2 above, but do not explicitly disclose that the information is associated with previous offers

Art Unit: 3622

provided to the customer. Logan discloses a similar method for facilitating a transaction which also includes targeting the subsidy offer based on demographic, psychological, and historical information associated with the customer. While it is not explicitly disclosed that the historical information would include previous offer, it would have been obvious to one having ordinary skill in the art to use such information. It would have been obvious that the subsidy provider may want to provide a different offer if the customer declined the previous offer, or provide the same offer if the previous offer was accepted, or vice versa; whichever the subsidy provider believes is the best policy for his marketing program. One would have been motivated to use previous offer information in order to better target the individual customer, thereby increasing the likelihood of its acceptance by the customer.

Response to Arguments

12. Applicant's arguments filed October 27, 2003 have been fully considered but they are not persuasive.

A. The Applicant argues that Claim 86 is directed to statutory subject matter because it recites associations between specific objects and specifically establishes "functional interrelationships...as part of the stored data" (page 17). The Examiner notes that the claim does not disclose any functions between the stored objects, but merely show that the various data objects are associated with one another, much as a demographic database which stores a name object, an address object, an age object, a telephone number object, etc. shows that the objects

Art Unit: 3622

are all associated with the same entity (person). In both cases the data objects are merely factual data which partakes no functionality to a computer processor or to the other data. While the claim's preamble may state that these objects are executable on a data processing system, the Examiner fails to see how a description of a subsidy offer (subsidy offer description device), for example, is executable by a computer. While the description of the offer may be displayed or otherwise output to a customer by a computer program running on a computer, the object itself is still merely data. The same argument can be used with the other objects which are data which describe a task, a benefit, and an expiration date. The Applicant could overcome this rejection by adding a computer program object which utilizes the claimed data objects to perform a process, similar to the other pending claims.

B. The Applicant notes that the Examiner's Affidavit dated April 11, 2003 was not notarized and requests the document be placed in proper affidavit form, i.e. redated, resigned, and notarized. The Examiner agrees that the notarization of the affidavit was inadvertently omitted and is providing a notarized copy of the affidavit.

C. The Applicant argues that the Myhre affidavit does not describe a customer device at all (page 18). The Examiner notes that the customer device is not the cellular telephone, which is the product being purchased, but is the POS system used to input the customer information. The Examiner further notes these claims are presently rejected using Myhre in view of Walden, which explicitly shows a customer device being used.

Art Unit: 3622

D. The Applicant argues in reference to Claims 26 and 33 that the reference does not teach outputting the subsidy offer when the customer indicates an interest in purchasing an item or accessing information about the item (page 18). The Examiner notes that the affidavit shows that the salesperson would present the offer to the customer once the customer has indicated his desire to purchase the cellular telephone. In the normal course of a sales, the customer usually asks the salesperson for information about the product or at the very minimum reads the item's name, price, etc. from placards or signs placed in proximity to the item. The customer will then use this information to determine which, if any, cellular telephone he wishes to purchase. Thus, by the time the customer indicates his desire to purchase the cellular telephone, the customer has already accessed and acquired information about the product.

E. The Applicant argues in reference to Claim 34 that the reference does not teach transmitting a plurality of subsidy offers to the customer device (page 18). The Examiner notes that the affidavit discloses that there were a plurality of offers available, and that one or more offers would be presented to the customer, dependent upon the brand, model, and/or cost of the cellular telephone being purchased.

F. The Applicant argues in reference to Claim 41 that the reference does not teach arranging for the customer to receive the benefit in response to subsidy offer status information (page 18). The Examiner notes that the affidavit discloses that the customer would receive the discount on the cellular telephone (the benefit) in response to receiving an approval from Sprint (offer status information).

Art Unit: 3622

G. The Applicant argues in reference to Claim 44 that the reference does not teach transmitting to the customer device a subsidy offer redemption code (page 18). The Examiner notes that the affidavit discloses that Sprint would transmit an activation code with the approval back to the customer device (POS system).

H. The Applicant argues in reference to Claim 45 that the reference does not teach that the benefit is associated with performance of a task and that the subsidy offer redemption code is output after the customer performs the task (page 18). The Examiner notes that the affidavit discloses the customer performing two separate tasks before receiving the redemption code (activation code). First, the customer must perform the task of indicating his desire to purchase the item. Second, the customer must complete an application form which is forwarded to Sprint. Upon approval by Sprint, a redemption code (activation code) is returned to the customer device.

I. The Applicant argues in reference to Claim 46 that the reference does not teach receiving a subsidy offer redemption code (page 18). The Examiner directs the Applicant's attention to the responses to this argument presented in reference to Claims 44 and 45 in paragraphs 12-G and 12-H above.

J. The Applicant argues in reference to Claim 48 that the reference does not teach arranging for the customer to receive the benefit in response to receiving the subsidy offer redemption code (page 18). The Examiner directs the Applicant's attention to the response to this argument presented in reference to Claim 41 in paragraph 12-F above.

Art Unit: 3622

K. The Applicant argues in reference to Claims 59 and 60 that the reference does not teach storing information associated with the subsidy offer at the customer device (pages 18-19). The Examiner notes that this feature is shown in the newly cited Walden reference in the above rejection.

L. The Applicant argues in reference to Claim 61 that the reference does not teach evaluating information associated with the plurality of offers to determine at least one subsidy offer to be output to the customer (page 19). The Examiner notes that, as discussed in the response to the argument presented in reference to Claim 34 in paragraph 12-E above, that there were a plurality of offers available, and that one or more offers would be presented to the customer, dependent upon the brand, model, and/or cost of the cellular telephone being purchased.

M. The Applicant argues in reference to Claim 65 that the reference does not teach outputting the redemption code based on an indication that the customer accepts the subsidy offer (page 19). The Examiner notes that Sprint transmits the redemption code (activation code) only after receiving and approving the customer's service application (customer's acceptance of the subsidy offer).

N. The Applicant argues in reference to Claim 66 that the reference does not teach receiving the redemption code at the customer device (page 19). The Examiner notes that this argument has been responded to in reference to Claims 44, 45, and 46 in paragraphs 12-G, 12-H, and 12-I above.

Art Unit: 3622

O. The Applicant argues in reference to Claim 79 that the reference does not teach that the redemption code includes information associated with the benefit. The Examiner notes that it is inherent that the message containing the redemption code (activation code) transmitted by Sprint back to the customer device must include information as to which subsidy offer it pertains. In other words, the activation code message must identify which customer and which item (cellular telephone) has been approved. Without such identifying (associating) information, it would be impossible to determine which phone to activate when a plurality of applications had been submitted.

P. The Applicant argues in reference to the 35 U.S.C. 103 rejections of Claims 15, 16, 18, 28, 29, 30, 36, and 37 that Official Notice can not be relied on as the principal evidence upon which the rejection was based (page 19). The Examiner notes that the independent claims do not rely on Official Noticed well-known features, but are based on the Myhre affidavit or a combination of the Myhre affidavit and the Walden patent. The Examiner notes that the Applicant has not attempted to refute any of the examples given in the rejection of these claims nor attempted to clarify how his claimed features differ from these examples. A mere statement that the Applicant disagrees with the taking of Official Notice does not traverse the rejection of the features being old and well known. In these claims the Applicant is listing a variety of possible benefits that the merchant could offer to the customer, such as a replacement item (e.g. upgrade), an additional item (e.g. upsell or free giveaway), improved terms for a warranty or interest rate, etc. The Examiner notes that the specific terms of the benefit is a design decision by the merchant

Art Unit: 3622

(or the offer issuer) and could consist of any one of the claims features or a myriad of other well known incentive benefits.

Q. The Applicant argues in reference to Claims 28-30 that these claims were not addressed other than being cited as rejected under 35 U.S.C. 103 in paragraph 10, page 8 of the last office action (page 20). The Examiner notes that these claims were addressed on page 7 as being rejected under 35 U.S.C. 102; however, due to a typographical error were listed under the 35 U.S.C. 103 heading.

R. The Applicant's arguments in reference to Claims 24, 50, 51, 53, 58, 67, 71, 75, 77, 78, 80, 81, and 83 (pages 20-21) pertaining to the Austin reference are moot in view of the removal of that reference from the current rejection above.

S. The Applicant argues in reference to Claims 6-8, 10, and 23 that Logan does not disclose targeting subsidy offers (pages 21-22). The Examiner notes that the Logan reference was relies upon to show targeting offers to customers based on a variety of demographic factors pertaining to the customer. The Myhre reference already disclosed presenting subsidy offers to the customer. One skilled in the art would have reasonably looked to other references such as Logan to ascertain known methods of making selections of offers which increase the likelihood of acceptance by the customer. The terms of the offer, whether a rebate, a discount, or a subsidy, does not affect the steps used to target the offer as described in Logan.

T. Finally, the Applicant argues in reference to Claims 6-8, 10, and 23 that "the Examiner relies on factual assertions that are not properly in the record" (page 22). The Examiner notes

Art Unit: 3622

that these claims were rejected as being obvious over Myhre in view of Logan and that no Official Notice was taken or intended. The two references in combination render obvious the claimed features.

Conclusion

13. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Exr. James W. Myhre whose telephone number is (703) 308-7843. The examiner can normally be reached on weekdays from 6:30 a.m. to 3:30 p.m.

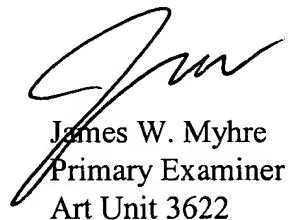
Art Unit: 3622

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Eric Stamber, can be reached on (703) 305-8469. The fax phone number for Formal or Official faxes to Technology Center 3600 is (703) 872-9306. Draft or Informal faxes may be submitted to (703) 872-9327 or directly to the examiner at (703) 746-5544.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the Group Receptionist whose telephone number is (703) 308-1113.



JWM
December 31, 2003



James W. Myhre
Primary Examiner
Art Unit 3622